January 24, 2017

Senator John Thune
511 Dirksen Senate Office Building
Washington, DC 20510

Congresswoman Kristi Noem
2457 Rayburn House Office Building
Washington, D.C. 20515

CC: Majority Leader Mitch McConnell, Speaker Paul Ryan, Chairman Orrin Hatch, Chairman Kevin Brady, and Congressman Sanford Bishop

Dear Senator Thune and Congresswoman Noem:

The undersigned organizations support your bill, the Death Tax Repeal Act of 2017.

We appreciate your work to lead the country towards a common sense tax code that does not impose a destructive double or triple tax at death. We support full and permanent repeal of the federal estate tax for the following reasons:

**Repealing the death tax would spur job creation and grow the economy.** Many studies have quantified the potential job growth that would result from estate tax repeal. Last year the Tax Foundation found that the US could create over 150,000 jobs by repealing the estate tax. A 2012 study by the House Joint Economic Committee found that the death tax has destroyed over $1.1 trillion of capital in the US economy – loss of small business capital means fewer jobs and lower wages. Lawrence Summers, former Secretary of the Treasury under President Clinton; Alicia Munell, member of President Clinton's Council of Economic Advisors; Joseph Stiglitz, a Nobel laureate for economics; and Douglas Holtz-Eakin, former CBO Director have all published work on the death tax's stifling effect on job growth and the economy as a whole.

**The death tax contributes a very small portion of federal revenues.** The estate tax currently accounts for approximately one half of one percent of federal revenue. There is a good argument that not collecting the estate tax would create more economic growth and lead to an increase in federal revenue from other taxes. A 2016 Tax Foundation analysis found repeal of the death tax would increase federal income taxes by $145 billion over 10 years using a more realistic, “dynamic” economic analysis. In addition, the death tax forces family businesses to waste money on expensive insurance policies and estate planning. These burdensome compliance costs make it even harder for business owners to expand their businesses and create more jobs.

**A super-majority of likely voters support eliminating the death tax.** Poll after poll has indicated that a super-majority of likely voters support repealing the estate tax. Typically, two-thirds of likely voters support full and permanent repeal of the death tax. People instinctively feel that the estate tax is not fair. A 2016 state poll by YouGov conducted in South Dakota showed 75 percent of voters supported repealing the estate tax.
The death tax is unfair. It makes no sense to require grieving families to pay a confiscatory tax on their loved one’s nest egg. Far too often this tax is paid by selling family assets like farms and businesses. Other times, employees of the family business must be laid off and payrolls slashed. No one should be punished for fulfilling the American dream.

The negative effects of the estate tax make permanent repeal the only solution for family businesses and farms. Your legislation will help America’s family businesses create jobs, expand operations, and grow the economy. We thank you for your continued leadership on this important issue.

Signed,

AMT – The Association for Manufacturing Technology

FMI – Food Marketing Institute

Agricultural Retailers Association

HARDI – Heating, Air-conditioning & Refrigeration Distributors International

NAED – National Association of Electrical Distributors

National Lumber and Building Material Dealers Association

IFDA – International Foodservice Distributors Association

CDA – Convenience Distribution Association

Associated Equipment Distributors

IFA – International Franchise Association

ASA – American Supply Association

National Cotton Council of America

AAMA – American Architectural Manufacturers Association

Hardwood Federation

National Confectioners Association
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Rural Agriculture Council of America

American Moving & Storage Association

American Rental Association

Independent Electrical Contractors

National Association of RV Parks & Campgrounds

NTEA – The Association for the Work Truck Industry

NATSO, Representing America’s Travel Centers and Truckstops

National Grocers Association

Southeastern Lumber Manufacturers Association

National Franchisee Association

Competitive Enterprise Institute

Taxpayer Protection Alliance

Service Station Dealers of America and Allied Trades

National Utility Contractors Association

National Community Pharmacists Association
Modification and Replacement Parts Association

American Civil Rights Union

Let Freedom Ring

National Precast Concrete Association

Campaign for Liberty

Americans for Constitutional Action

Less Government

U.S. Business and Industry Council

National Tax Limitation Committee

United Egg Producers

Family Business Coalition